

28 February 2023
Bangkok Ranch Public Company Limited
Management Discussion and Analysis
Business overview
For the year ended 31 December 2022

	For the year ended		Change %
	31 December 2022 Million Baht	31 December 2021 Million Baht	
Sales	8,520	7,260	17
Cost of sales	(6,715)	(6,130)	10
Gross profit	1,805	1,130	60
% Gross profit	21%	16%	
Other income	43	16	164
Selling and administrative expenses	(1,106)	(928)	19
Impairment loss of investments in subsidiary and group of non-current assets held-for-sale	-	(65)	(100)
Operating profit	742	152	387
Share of gain (loss) from investments in joint ventures	11	(4)	384
Profit before finance cost and income tax income (expense)	753	148	407
Finance cost	(211)	(213)	(1)
Income tax income (expense)	(154)	7	2,299
Net profit (loss) for the period	388	(58)	774
Attributable to non-controlling interests of subsidiaries	(2)	1	334
Net profit (loss) for the period attributable to equity holders of the Company	386	(56)	792
EBITDA	1,138	531	114

The Group's operating results for year ended 31 December 2022 showed better sales and operating performance from the same period last year due to management's effective quick response to the global markets. On the other hand, cost of sales including selling and administrative expenses increased, compared to last year, due to higher cost and tough economic global environment.

Well result

Financial position

	As at		Change %
	31 December 2022 Million Baht	31 December 2021 Million Baht	
Total current assets	2,738	2,846	(4)
Total non-current assets	7,884	7,946	(1)
Total assets	10,622	10,792	(2)
Total current liabilities	2,872	4,034	(29)
Total non-current liabilities	3,342	2,725	23
Total liabilities	6,214	6,759	(8)
Total Shareholders' Equity	4,408	4,033	9
Total Liabilities and Shareholders' Equity	10,622	10,792	(2)

As of 31 December 2022, the Group has total assets of 10,622 million Baht, a decrease of 170 million Baht from 31 December 2021, mainly from depreciation of plant and equipment and inventories.

As of 31 December 2022, the Group has total liabilities of 6,214 million Baht, a decrease of 545 million Baht from 31 December 2021, mainly due to a decrease in trade payables and loans.

While total shareholders' equity increased from profit for the year ended 31 December 2022.

Financial Ratios

Liquidity Ratios	31 December 2022	31 December 2021
Current Ratio (times)	0.95	0.71
Quick Ratio (times)	0.45	0.32
Activity Ratios	31 December 2022	31 December 2021
Trade and Other Receivables Turnover (times)	12.34	12.40
Average Collection Period (days)	30	29
Fixed Asset Turnover (times)	1.88	1.48
Trade and Other Payables Turnover (times)	10.62	9.82
Average Payment Period (days)	34	37
Cash Cycle (days)	74	86
Inventory Turnover (times)	4.62	3.87
Inventory Turnover Period (days)	79	94
Total Assets Turnover (times)	0.80	0.67
Leverage Ratios		
Interest Coverage (times)	3.58	0.70
	31 December 2022	31 December 2021
Debt / Equity Ratio (times)	1.41	1.68
Profitability Ratios	31 December 2022	31 December 2021
Gross Profit Margin (%)	21.2%	15.6%
Net Profit Margin (%)	4.5%	(0.8%)
Return on Assets or ROA (%)	3.6%	(0.5%)
Return on Equity or ROE (%)	9.2%	(1.4%)

Wet 2021

Factors affecting the Group's performance in the future

The global economic environment have been very challenging over the past couple of years. High inflation rates, rising commodity prices, volatile energy prices and logistic costs were factors that affect the performance of the Group. On the other hand, we have seen substantial positive improvement in the last couple of quarters in 2022 due to proper management.

Furthermore, our overseas businesses have seen a substantial improvement in 2022 due to a high demand of our products in a number of countries including the EU; resulting in increased sales prices and margins. This improved levels are expected to be maintained and continued. Our products and businesses also have proven to be with the highest standards in quality, CSR, animal welfare and energy neutral production which is highly valued by customers globally.

Overall our businesses are now less affected by the Ukrainian and Russian war; with raw materials for animal feed being more available in the market and prices have stabilized.

Eventhough all measures related to Covid-19 have begun to be lifted especially in Europe, the group still continues to place high importance on taking care of employees and a safe working environment; including strict measures of controlling the possible spread of COVID-19 and Bird flu.

Yours sincerely,



Mr. Joseph Suchaovanich

Chief Executive Officer

W. S. S. S.